

munity and the requirement of service to others.

At this time of spiritual peace, when recognition of the ties which bind people of good will is paramount, it is fitting to recall the strides which have been taken to bring peace to the Middle East. As enemies reconcile and dialog replaces confrontation, this is a time for reflection on the hopes and dreams of a better life and a better world shared by those of all faiths.

Let us take pride in what has been accomplished toward realization of this noble vision. But for the sake of our children—our future—let us all renew our determination and work to make this moment of peace a lasting testament to a more peaceful world for all.

NOTE: Ramadan began on February 1.

Message to the Congress on Libya *January 31, 1995*

To the Congress of the United States:

I hereby report to the Congress on the developments since my last report of July 18, 1994, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

1. On December 22, 1994, I renewed for another year the national emergency with respect to Libya pursuant to IEEPA. This renewal extended the current comprehensive financial and trade embargo against Libya in effect since 1986. Under these sanctions, all trade with Libya is prohibited, and all assets owned or controlled by the Libyan government in the United States or in the possession or control of U.S. persons are blocked.

2. There has been one amendment to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control (FAC) of the Department of the Treasury, since my

last report on July 18, 1994. The amendment (59 Fed. Reg. 51106, October 7, 1994) identified Arab Hellenic Bank (AHB), an Athens-based financial institution, 4 other entities, and 10 individuals as Specially Designated Nationals (SDNs) of Libya. (In addition to the recent SDN action against AHB, the Greek central bank has recently announced that AHB's banking license has been revoked.) Included among the individuals are three Italian shareholders in Oilinvest (Netherlands) B.V., who increased their positions in the Libyan government-controlled firm shortly before United Nations Security Council Resolution (UNSCR) 883 directed a freeze on certain Libyan assets owned or controlled by the Government or public authorities of Libya.

Pursuant to section 550.304(a) of the Regulations, FAC has determined that these entities and individuals designated as SDNs are owned or controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Libya, or are agencies, instrumentalities, or entities of that government. By virtue of this determination, all property and interests in property of these entities or persons that are in the United States or in the possession or control of U.S. persons are blocked. Further, U.S. persons are prohibited from engaging in transactions with these individuals or entities unless the transactions are licensed by FAC. The designations were made in consultation with the Department of State and announced by FAC in notices issued on June 17 and July 22 and 25, 1994. A copy of the amendment is attached to this report.

3. During the current 6-month period, FAC made numerous decisions with respect to applications for licenses to engage in transactions under the Regulations, issuing 136 licensing determinations—both approvals and denials. Consistent with FAC's ongoing scrutiny of banking transactions, the largest category of license approvals (73) concerned requests by non-Libyan persons or entities to unblock bank accounts initially blocked because of an apparent Government of Libya interest. The largest category of denials (41) was for banking transactions in which FAC found a Government of Libya interest. Three

licenses were issued authorizing intellectual property protection in Libya.

In addition, FAC issued eight determinations with respect to applications from attorneys to receive fees and reimbursement of expenses for provision of legal services to the Government of Libya in connection with wrongful death civil actions arising from the Pan Am 103 bombing. Civil suits have been filed in the U.S. District Court for the District of Columbia and in the Southern District of New York. Representation of the Government of Libya when named as a defendant in or otherwise made a party to domestic U.S. legal proceedings is authorized by section 550.517(b)(2) of the Regulations under certain conditions.

4. During the current 6-month period, FAC continued to emphasize to the international banking community in the United States the importance of identifying and blocking payments made by or on behalf of Libya. The FAC worked closely with the banks to implement new interdiction software systems to identify such payments. As a result, during the reporting period, more than 210 transactions involving Libya, totaling more than \$14.8 million, were blocked. As of December 9, 1994, 13 of these transactions had been licensed to be released, leaving a net amount of more than \$14.5 million blocked.

Since my last report, FAC collected 15 civil monetary penalties totaling more than \$76,000 for violations of the U.S. sanctions against Libya. Nine of the violations involved the failure of banks to block funds transfers to Libyan-owned or -controlled banks. Two other penalties were received for corporate export violations. Four additional penalties were paid by U.S. citizens engaging in Libyan oilfield-related transactions while another 76 cases of similar violations are in active penalty processing.

In October 1994, two U.S. businessmen, two U.S. corporations, and several foreign corporations were indicted by a Federal grand jury in Connecticut on three counts of violating the Regulations and IEEPA for their roles in the illegal exportation of U.S. origin fuel pumps to Libya. Various enforcement actions carried over from previous reporting periods have continued to be aggres-

sively pursued. The FAC has continued its efforts under the Operation Roadblock initiative. This ongoing program seeks to identify U.S. persons who travel to and/or work in Libya in violation of U.S. law.

Several new investigations of potentially significant violations of the Libyan sanctions have been initiated by FAC and cooperating U.S. law enforcement agencies, primarily the U.S. Customs Service. Many of these cases are believed to involve complex conspiracies to circumvent the various prohibitions of the Libyan sanctions, as well as the utilization of international diversionary shipping routes to and from Libya. The FAC has continued to work closely with the Departments of State and Justice to identify U.S. persons who enter into contracts or agreements with the Government of Libya, or other third-country parties, to lobby United States Government officials or to engage in public relations work on behalf of the Government of Libya without FAC authorization. In addition, during the period FAC hosted or attended several bilateral and multilateral meetings with foreign sanctions authorities, as well as with private foreign institutions, to consult on issues of mutual interest and to encourage strict adherence to the U.N.-mandated sanctions.

5. The expenses incurred by the Federal Government in the 6-month period from July 7, 1994, through January 6, 1995, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at approximately \$1.4 million. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Office of the General Counsel, and the U.S. Customs Service), the Department of State, and the Department of Commerce.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. In adopting UNSCR 883 in November 1993, the Security Council determined that the continued failure of the Government of Libya to demonstrate by concrete actions its renunciation of terrorism, and in particular its continued failure to respond fully and effectively to the requests and decisions of the

Security Council in UNSCRs 731 and 748, concerning the bombing of the Pan Am 103 and UTA 772 flights, constituted a threat to international peace and security. The United States continues to believe that still stronger international measures than those mandated by UNSCR 883, possibly including a worldwide oil embargo, should be imposed if Libya continues to defy the will of the international community as expressed in UNSCR 731. We remain determined to ensure that the perpetrators of the terrorist acts against Pan Am 103 and UTA 772 are brought to justice. The families of the victims in the murderous Lockerbie bombing and other acts of Libyan terrorism deserve nothing less. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya fully and effectively, so long as those measures are appropriate, and will continue to report periodically to the Congress on significant developments as required by law.

William J. Clinton

The White House,
January 30, 1995.

Remarks and a Question-and-Answer Session With the Mayor's Youth Council in Boston, Massachusetts

January 31, 1995

The President. Let me just begin by—let me make a couple of comments, and then I'll answer your questions. First, I want to congratulate all of you and the mayor on this remarkable project. I wanted to do this for a couple of reasons, but one is I think this might spread across the country as more people, through the news media, hear about it. I think this is a wonderful idea that every city in the country could profit from copying.

I also want to say I'm glad to be here with your mayor, with Mrs. Menino, but also with Senator Kennedy and Senator Kerry, who flew up here with me from Washington. We're going to dinner tonight, but they wanted to come over here and see you. And I think that's a great tribute to you and what you're doing.

Let's talk about the dropout rate a little bit and especially as it applies to teen parents. This is a big issue. We've just been discussing

this down in Washington now as a part of what we call the New Covenant. You mentioned that. The New Covenant is, for me, the obligation that we have to create more opportunity and people and citizens have to exercise more responsibility. It means that we in Government have to try to help give you the tools you need to make the most of your own lives, and then all of you have to do the most you can with your lives and help your fellow citizens. That's the big reason I wanted to come here today, because I think it's so remarkable that you're committed to doing this.

Now, we know that a lot of people who have children drop out of school, and one of the things I said to the Nation and to the Congress the other night in my speech is that as we reform the welfare system our goal ought to be to prepare people to go to work, to get them in jobs, to keep them in jobs, and to do it in a way that helps them be better parents. So, what I'm trying to do is to work with the States all across the country to structure welfare systems where there are always incentives for young people to stay in school and, if they have little children, that the children should be given appropriate child care and other kinds of support.

And I think one of the things that you can do is to hammer home to people that if they can, if they have enough to get by, they ought to stay in high school before they leave and go to work, because in the world that we're living in, all the people who live in Boston and all the people who live in Massachusetts are competing with people all around the world for jobs and for income. And there's been a huge decline in the earnings of younger workers who are high school dropouts. When you make adjustments for inflation and the cost of living going up year in and year out, younger workers without a high school education are making probably 20 percent less than they were just 10 or 15 years ago.

So you need to go out and tell people, look, I know it's hard right now, but you need to be thinking about the long run. One of the things we've got to do that you can do for your peers, for other young people, that I can't do as well as you can is say to people, "Hey, the future is not what happens in an